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CENTRAL INTELLIGENCE GROUP

INTELLIGENCE REPORT

COUNTRY Germany/Russian Zone

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SUBJECT Plans of SED Executive Committee

DISY. 26 March 1947

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PAGES 3

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ORIGIN

SUPPLEMENT

1. The ninth meeting of the SED Executive Committee, Berlin, 14 February 1947, passed a resolution, many parts of which were not included in the Neues Deutschland publication 16 February 1947. Among the unpublished portions is the following:

"The historical evolution of the German people requires it to seek its own path. The basis for vanquishing the present crisis is the political and economic unity of Germany. However, there are elements who want to destroy the unity of Germany and break it up into little pieces, viz.:

- a) Reactionary circles.
- b) The monopolies, trusts, and Junkers.
- c) English and U.S. high finance which do not want Germany to recover and become a competitor in world markets. They find support in the German bourgeois parties as well as in part of the SPD (Bavaria, Saar, Schleswig)...

2. "The SED demands that the German people decide by a free vote whether they want a united or a federative state. Therefore, the SED proposes to the political parties and the trade unions that a referendum be held on this question.

3. "National unity must find expression in the formation of a German government for the following reasons:

- a) The common responsibility of the German people demands a central government.
- b) Germany cannot be accepted in the family of nations unless it has a unified government.

"The SED is against a federative state and against a federation of states. The present parliaments and governments were not formed by a vote of the entire German people. The elections in western and southern Germany were held at a time when numerous Nazis and war criminals still held important offices. The parliaments in the west and south were formed on the basis of unjust and unbearable election systems.

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4. "The SED demands the immediate formation of a Central Administration with Central Departments in preparation for a Central Government in accordance with the Potsdam Agreement. A general German administration is indispensable today. Besides those departments named in the Potsdam Agreement, the following eight departments should be included: Economic Planning, Agricultural Planning, Education, Health, Justice, and General Administrative."

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[REDACTED] names only these six departments.

5. The above proposal is to be presented to the Allied Control Council. The second part of the resolution is concerned with the economic recovery of Germany:

"In the west there is an economic crisis, a food crisis in the industrial areas, and great unemployment. The reasons are:

- a) There has been no serious cleaning up; the Nazis, war criminals, and the Reichsnährstand are still functioning.
- b) The big estates have not been expropriated; consequently, a regulated food policy is impossible.
- c) The trusts, monopolies, and big banks have not been destroyed, so it is still too early to speak of a peaceful development in Germany.

6. "The SED demands:

- a) Big industry and big banks must be socialized.
- b) Land Reform.
- c) Full recognition of the right of trade unions to a voice in plant management and control of production.

7. "In the Russian Zone the economic situation is tense but full of possibilities for the future... Production is increasing, there is no unemployment, the food situation is improved, dismantling is over, reparations from production are reduced.

8. "The SED's Economic Plan for Germany calls for:

- a) A unified industrial plan at a level three times that provided by Potsdam.
- b) Unified agricultural planning.
- c) Export and import plan to guarantee the independence of Germany and fit Germany into world economy.
- d) Unified work plan.
- e) General currency reform.

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9. "The above program is to be forced through by all progressive elements among the German people. The unity of the working class has been achieved in the Russian Zone and must not be changed. In the west, the SPD has not been able to meet present day problems because its leaders have formed coalition with reactionary elements. The KPD, likewise, has been unable to win influence for the working class in the west. Therefore, the SED must be extended into the west. The unity of the working class is the basis for unity with the farmers and the intelligentsia. The antifascist bloc has succeeded in the east; the same method must be started in the west. The big criminals must be ruthlessly punished but the little Nazis must be given a chance to become active politically."

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